

**U.S. Senate Republican Policy Committee**  
**Larry E. Craig, Chairman    Jade West, Staff Director**  
**Legislative Notice**

No. 65

June 22, 2000

**S. 2553 – Departments of Labor, HHS, and Education  
and Related Agencies Appropriation Bill, FY 2001**

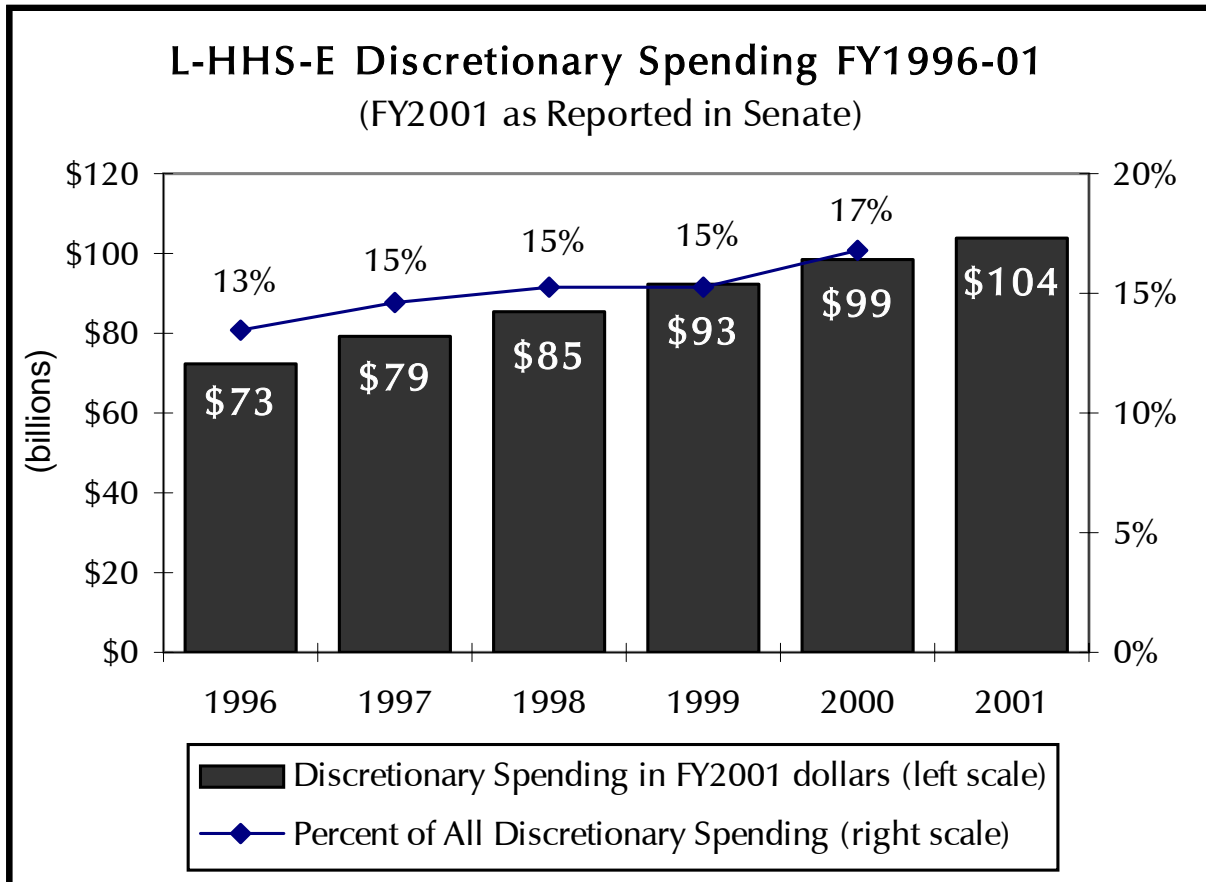
Calendar No. 547

*Reported as an original bill from the Appropriations Committee May 12, 2000, by a vote of 28-0; S. Rept. 106-293.*

**NOTEWORTHY**

- By unanimous consent, the Senate will begin consideration of S. 2553 at 10 a.m. today with no votes to occur prior to 2 p.m.
- S. 2553 provides a total of \$352.19 billion in budget authority for the Departments of Labor, Health and Human Services, Education, and related agencies. This is an increase of \$22.42 billion (7 percent) over adjusted appropriations for FY 2000 and \$4 billion (1 percent) less than the President's request. [See attached chart, which includes House numbers, p. 15.]
- Of that total, \$97.82 billion is discretionary spending, using all of the Committee's 302(b) budget authority allocation.
- The Labor, Health and Human Services, and Education Appropriation bill is the largest the Congress considers. From FY 1996 to FY 2000, it grew from 13 percent to 17 percent of all discretionary spending [see graph next page].
- This bill preserves the ban on federal funding of abortions (except in the cases of rape, incest, or when the life of the mother is threatened); prohibits lobbying with taxpayer dollars; prohibits creation of a unique health identifier; and bans federal funding of needle exchange programs and human embryo research.
- The House passed its Labor, Health and Human Services, and Education Appropriations bill (H.R. 4577) providing \$351.8 billion on June 14 by a vote of 217-214. President Clinton has threatened to veto the House-passed bill. At press time, no official Administration position was available on the Senate bill.

## HIGHLIGHTS



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## BACKGROUND

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By way of background, the following is taken directly from the Committee Report (S. Rept. 106-293, page 4) accompanying S. 2553:

*The Labor, HHS and Education and Related Agencies bill constitutes the largest of the 13 federal appropriations bills being considered by Congress this year. It is the product of extensive deliberations, driven by the realization that no task before Congress is more important than safeguarding and improving the health and well-being of all Americans. This bill is made up of over 300 programs, spanning three federal Departments and numerous related agencies. But the bill is more than its component parts. Virtually every element of this bill reflects the traditional ideal of democracy: That every citizen deserves protection from illness and want; the right to a basic education and job skills training; and an equal opportunity to reach one's highest potential.*

*This bill at the same time provides a safety net of social protections for the needy while stimulating advances in human achievement and the life sciences. At its core, this bill embodies those defining principles by which any free society must be guided: compassion for the less fortunate; respect for family and loved ones; acceptance of personal responsibility for one's actions; character development; and the avoidance of destructive behavior.*

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## BILL PROVISIONS

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### **Title I — Department of Labor**

The Committee recommends \$13.41 billion for this title, the Department of Labor. This represents a \$318 million increase from FY 2000 and is \$920 million less than the President's request.

#### **Employment and Training Administration**

**Training and Employment Services:** The Committee recommends \$5.453 billion for Labor Department training and employment services. This is a \$16.7 million (0.3 percent) increase over FY 2000 and \$653 million (11 percent) below the President's request.

**Community Service Employment for Older Americans:** The Committee matches the Administration request and the FY 2000 appropriation in recommending \$440 million to provide part-time employment in community service activities for unemployed, low-income persons aged 55 and over.

**Federal Unemployment Benefits and Allowances:** The Committee provides \$407 million, the same as the request and roughly \$9 million below the FY 2000 level.

**State Unemployment Insurance and Services:** The Committee provides \$3.25 billion for this account, roughly \$36 million (1 percent) more than the FY 2000 level and \$140 million below the request.

**Advances to the Unemployment Trust Fund and Other Funds:** The Committee recommends \$435 million for this account, identical to the request and a \$79 million (22 percent) increase over FY 2000 levels.

**Program Administration:** The Committee provides \$156 million, an increase of \$10 million (7 percent) over the FY 2000 level, and \$3 million (2 percent) less than the request.

#### **Pension and Welfare Benefits Administration**

**Salaries and Expenses:** The Committee provides \$103 million, \$4 million (4 percent) more than the FY 2000 level and nearly \$4 million (4 percent) less than the request.

#### **Employment Standards Administration**

**Salaries and Expenses:** The Committee recommends \$353 million, \$14 million (4 percent) over the FY 2000 level and \$11 million (3 percent) less than the request.

**Special Benefits:** The Committee provides \$56 million, identical to the request and \$23 million (29 percent) less than the FY 2000 level.

**Black Lung Disability Trust Fund:** The Committee recommends \$1.03 billion, matching the request and providing an increase of \$14 million (1 percent) over the FY 2000 level.

#### **Occupational Safety and Health Administration (OSHA)**

**Salaries and Expenses:** The Committee matches the request at \$426 million, a \$44 million (12 percent) increase over FY 2000.

#### **Mine Safety and Health Administration**

**Salaries and Expenses:** The Committee recommends \$245 million, \$17 million (7 percent) more than FY 2000 and \$3 million (1 percent) above the request.

### **Bureau of Labor Statistics**

**Salaries and Expenses:** The Committee recommends \$447 million, \$13 million (3 percent) more than FY 2000 and \$7 million (2 percent) less than the request.

### **Departmental Management**

**Salaries and Expenses:** The Committee provides \$338 million, \$93 million (38 percent) more than FY 2000 and \$100 million (23 percent) less than the request.

**Veterans Employment and Training:** The Committee recommends \$207 million, \$5 million (3 percent) above the FY 2000 level and \$4 million (2 percent) below the request.

**Office of the Inspector General:** The Committee provides \$55 million, an increase of \$3 million (6 percent) above the FY 2000 level and \$1 million (2 percent) below the request.

### **General Provisions**

The general provisions in this title would:

- Prohibit the Job Corps program from paying anyone more than an Executive Level II salary (sec. 101).
- Permit transfers of up to 1 percent between appropriations (sec. 102).
- Extend the availability of the Welfare-to-Work grant funds for an additional two years until 2003 (sec. 103).
- Eliminate the authority of the Secretary of Labor to award grants to States for successful performance of welfare-to-work programs under section 403(a)(5) of the Social Security Act (sec. 104).

## **Title II — Department of Health and Human Services**

The Committee recommends a program level of \$39.6 billion for the Department of Health and Human Services. This represents a \$2.1 billion (5 percent) decrease from FY 2000 and \$5.2 billion (12 percent) less than the President's request. Total title II funding (mandatory and discretionary) is \$255.96 billion, an amount which is \$15.4 billion above the FY 2000 level, and nearly \$3 billion below the request.

### **Health Resources and Services Administration**

**Health Resources and Services:** The Committee provides \$4.52 billion, \$41 million (1 percent) less than FY 2000 and \$159 million less than the request.

**Health Centers:** The Committee provides \$1.12 billion, \$100 million (9 percent) above the FY 2000 level and \$50 million (4 percent) above the request.

**Health Professions:** The bill provides \$231 million for health professions programs, \$111 million (33 percent) less than the FY 2000 level and \$67 million (23 percent) below the request.

**Ryan White AIDS Programs:** The Committee provides \$1.65 billion, \$55 million (3 percent) above the FY 2000 level and \$70 million (4 percent) below the request.

**Maternal and Child Health Block Grant:** The Committee recommends \$704 million, the same as the request and the FY 2000 level.

**Healthy Start:** The bill provides \$90 million, the same as the request and the FY 2000 level.

**Title X, Family Planning:** The Committee recommends \$254 million, \$15 million (6 percent) above the FY 2000 level and \$20 million (7 percent) below the request.

**Ricky Ray Hemophilia Relief Fund:** The Committee recommends \$85 million, \$10 million (13 percent) above the FY 2000 level and \$15 million (15 percent) below the request.

#### **Centers for Disease Control and Prevention (CDC)**

The bill provides \$3.2 billion for the CDC, an increase of \$168 million (6 percent) over FY 2000 and \$35 million (1 percent) below the request.

#### **National Institutes of Health (NIH)**

The Committee recommends \$20.51 billion for the NIH, \$2.7 billion (15 percent) over the FY 2000 level and \$1.7 billion (9 percent) more than the request. This amount funds biomedical research at the 25 Institutes and centers that comprise the NIH.

**Office of the Director:** The bill provides \$352 million, an increase of \$70 million (25 percent) over FY 2000 and \$43 million (14 percent) more than the request.

#### **Substance Abuse and Mental Health Services Administration (SAMHSA)**

The Committee recommends \$2.73 billion, \$79 million (3 percent) more than the FY 2000 level and \$92 million (3 percent) below the request.

#### **Health Care Financing Administration**

**Grants to States for Medicaid:** The bill provides \$93.65 billion, the same as the request and \$6.21 billion (7 percent) more than FY 2000.

**Payments to Health Care Trust Funds (Medicare):** The Committee provides \$70.38 billion, matching the request and \$1.1 billion (2 percent) more than FY 2000.

**Program Management:** The bill provides \$2.02 billion, \$25 million (1 percent) more than the FY 2000 level and \$68 million (3 percent) below the request.

### **Administration for Children and Families**

**Payments to States for Child Support Enforcement and Family Support Programs:** The bill provides \$2.89 billion, \$304 million (12 percent) more than FY 2000 and matching the request.

**Low Income Home Energy Assistance Program:** The bill provides \$1.1 billion as an advance appropriation for FY 2001 (from prior year), the same as the request. Bill language also permits up to \$300 million in funding to provide additional energy assistance during weather emergencies. [Note: this program is also provided \$600 million in FY 2000 supplemental funding in the supplemental package currently pending to the FY 2001 agricultural appropriations bill, S. 2536.]

**Child Care and Development Block Grant:** The Committee recommends \$2 billion, the same as the request and \$817 million (69 percent) above the FY 2000 level. Of this \$1.18 billion is advance funding from FY 2000.

**Social Services Block Grant (Title XX):** The Committee provides \$600 million, which is \$1.1 billion (65 percent) below the request and \$1.18 billion below the FY 2000 level.

**Head Start:** The Committee recommends \$6.27 billion, an increase of \$1 billion (19 percent) from the FY 2000 level and the same as the request. Of that, \$1.4 billion is advance funded for FY 2002.

**Promoting Safe and Stable Families:** The Committee recommends \$305 million, matching the request and \$10 million (3 percent) more than FY 2000.

**Payments to States for Foster Care and Adoption Assistance:** The bill provides \$6.41 billion, matching the request and \$709 million (12 percent) above the FY 2000 level.

### **Administration on Aging**

The Committee recommends \$955 million, \$22 million (2 percent) above the FY 2000 level and \$129 million (12 percent) below the request.

### **General Provisions**

The Committee recommendation:

- Includes language placing a \$37,000 ceiling on official representation expenses (sec. 201), the same as existing law.
- Includes language included in fiscal year 2000 which limits assignment of certain public health personnel (sec. 202).
- Retains language carried in fiscal year 2000 regarding set-asides in the authorizing statute of the National Institutes of Health (sec. 203).
- Retains a provision carried in fiscal year 2000 to limit use of grant funds to pay individuals more than an annual rate of Executive level III (sec. 204).
- Retains language from fiscal year 2000 restricting the use of taps (sec. 205) for program evaluation activities by the Secretary prior to submitting a report on the proposed use of the funds to the Appropriations Committee.
- Retains language included in fiscal year 2000 restricting transfers of appropriated funds among accounts and requiring a 15-day notification of both Appropriations Committees prior to any transfer (sec. 206).
- Includes language included in fiscal year 2000 permitting the transfer of up to 3 percent of AIDS funds among Institutes and Centers (sec. 207) by the Director of NIH and the Director of the Office of AIDS Research of NIH.
- Includes language included in fiscal year 1999 which directs that the funding for AIDS research as determined by the Directors of the National Institutes of Health and the Office of AIDS Research be allocated directly to the OAR for distribution to the Institutes and Centers consistent with the AIDS research plan (sec. 208).
- Includes a provision (sec. 209) regarding family planning applicants to certify to the Secretary to encourage family participation in the decision of a minor who seeks family planning services.
- Includes a provision included in fiscal year 2000 which restricts the use of funds to carry out the Medicare+Choice Program if the Secretary denies participation to an otherwise eligible entity (sec. 210).
- Includes a provision to ensure that States receive no less than the amount they received in fiscal year 2000 for substance abuse and mental health services (sec. 211).



- Includes a provision (sec. 212) which states that no provider of services under Title X of the PHS Act shall be exempt from State laws regarding child abuse.
- Includes a provision (sec. 213) extending the refugee status for persecuted religious groups.
- Continues last year's prohibition on administering or implementing a Medicare Competitive Pricing Demonstration (sec. 214).
- Continues to include a provision prohibiting the Secretary from withholding substance abuse treatment funds (sec. 215).
- Includes a provision, requested by the President, which cuts Temporary Assistance to Needy Families (TANF) by \$240,000,000 in fiscal year 2001 (sec. 216).
- Shifts unspent fiscal year 1998 State Children's Health Insurance Program (SCHIP) funds to fiscal year 2003 to more closely reflect State spending patterns (sec. 217).

## **Title III — Department of Education**

The Committee recommends a total funding level of \$42.59 billion for the Department of Education. This represents a \$4.67 billion (13 percent) increase over the FY 2000 level, and \$100 million (less than 1 percent) above the President's request. This includes \$2.03 billion in FY 2002 advance funding.

### **Education Reform**

The Committee recommends \$1.43 billion for this account, \$331 million (19 percent) below the FY 2000 level and \$672 million (32 percent) below the request.

**Goals 2000:** No appropriation for title III of this program. Under current law, this program is repealed at the end of FY 2000. The FY 2000 funding level was \$458 million. The bill does provide \$40 million for parental assistance, \$7 million more than the request.

### **Education for the Disadvantaged**

The Committee recommends just under \$8.99 billion, \$286 million (3 percent) more than in FY 2000 and \$163 million (2 percent) less than the request.

**Title I Basic Grants:** The Committee recommends \$7.11 billion, \$330 million more than the FY 2000 level and \$1.43 billion more than the request.

**Title I Targeted Grants:** The Committee recommends no funding; the Administration requests \$1.67 billion.

**Title I Concentration Grants:** The Committee recommends \$1.22 billion in advance appropriations, \$64 million (5 percent) above the FY 2000 level and \$219 million (15 percent) above the request.

**Even Start:** The Committee recommends \$185 million, an increase of \$35 million (23 percent) over the FY 2000 level and the request.

**State Agency Migrant Program:** The Committee provides \$380 million, \$25 million (7 percent) more than FY 2000 and the same as the request.

**Impact Aid:** The Committee provides \$1.03 billion for impact aid, \$124 million (14 percent) above the FY 2000 appropriation and \$260 million (34 percent) above the request.

### **School Improvement Programs**

The Committee recommends \$4.67 billion, \$1.67 billion (55 percent) more than the FY 2000 level and \$804 million (21 percent) above the request.

**Eisenhower Professional Development Grants:** The Committee recommends \$435 million, \$100 million more than the FY 2000 appropriation.

**Safe and Drug-Free Schools State Grants:** The Committee provides \$447 million for state grants, \$8 million (2 percent) above the FY 2000 level. Of these funds, \$330 million will become available on October 1, 2001. Total funding for Safe and Drug-Free Schools is \$642 million.

**Magnet Schools:** The Committee provides \$110 million, the same as last year's level and the request.

**Charter Schools:** The Committee recommends \$210 million, \$65 million (45 percent) more than FY 2000 and \$35 million (20 percent) more than the request.

**School Renovation:** No appropriation. The Committee denied the Administration's request for \$1.3 billion for school construction.

**Bilingual and Immigrant Education:** The Committee provides \$443 million, \$37 million (9 percent) above the FY 2000 level and \$17 million (4 percent) below the request.

**Special Education/IDEA:** The Committee recommends \$7.35 billion, \$1.31 billion (22 percent) more than the FY 2000 level and \$984 million (15 percent) above the request. This includes \$4.62 billion advance funded for FY 2002.

**Rehabilitation Services and Disability Research:** The Committee recommends \$2.8 billion, \$93 million (3 percent) more than FY 2000, and \$868,000 more than the request.

**Vocational and Adult Education:** The Committee recommends \$1.73 billion, \$54 million (3 percent) more than FY 2000 and \$25 million (1 percent) less than the request.

### **Student Financial Aid**

The Committee provides for a total of \$10.62 billion in student financial assistance, \$1.26 billion (13 percent) more than FY 2000 and \$366 million (4 percent) more than the request.

**Pell Grants:** Included in the overall financial aid appropriation is \$8.69 billion for Pell Grants during the 2001-2002 academic year. This amount is \$1.05 billion (14 percent) more than FY 2000 and \$336 million (4 percent) above the Administration request. The Committee recommends allowing a \$350 increase in the maximum grant amount from \$3,300 to \$3,650 — the highest level in the program's history.

### **Higher Education**

The Committee recommends \$1.69 billion for higher education programs. This amount is \$165 million (11 percent) more than FY 2000 and \$101 million (6 percent) less than the request.

### **Office of the Inspector General**

The Committee recommends \$35 million, \$1 million (4 percent) more than the FY 2000 level and \$1 million (3 percent) less than the request.

### **General Provisions**

The Committee bill contains:

- Language which has been included in the bill since 1974, prohibiting the use of funds for the transportation of students or teachers in order to overcome racial imbalance (sec. 301).
- Language included in the bill since 1977, prohibiting the transportation of students other than to the school nearest to the student's home (sec. 302).

- Language which has been included in the bill since 1980, prohibiting the use of funds to prevent the implementation of programs of voluntary prayer and meditation in public schools (sec. 303).
- A provision giving the Secretary of Education authority to transfer up to 1 percent of any discretionary funds between appropriations (sec. 304).

## **Title IV — Related Agencies**

### **Corporation for Public Broadcasting**

The Committee recommends \$365 million (as an advance appropriation for FY 2003), \$15 million (4 percent) more than the previous year and identical to the Administration request.

### **National Labor Relations Board (NLRB)**

The Committee recommends \$216 million, \$11 million (5 percent) more than FY 2000 and identical to the request.

### **Social Security Administration**

The Committee recommends \$7.01 billion, \$439 million (7 percent) more than FY 2000 and \$123 million (2 percent) less than the request. Of this, \$6.47 billion is a limitation on routine operating expenses for the agency.

## **Title V — General Provisions**

The Committee retains the following provisions:

- Authorizing transfers of unexpended balances (sec. 501);
- Limiting funding to one year availability unless otherwise specified (sec. 502);
- Limiting lobbying and related activities (sec. 503);
- Limiting official representation expenses (sec. 504);
- Prohibiting funding of any program to carry out distribution of sterile needles for the hypodermic injection of any illegal drug unless the Secretary of HHS determines such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs (sec. 505);

- Stating the sense of Congress about purchase of American-made equipment and products (sec. 506);
- Clarifying federal funding as a component of State and local grant funds (sec. 507); and
- Prohibiting the use of funds appropriated in this act to pay for an abortion with exceptions for rape, incest, and where the life of the mother are threatened (sec. 508 and sec. 509).

The Committee recommendation:

- Bans the use of funds appropriated under this act for human embryo research (sec. 510).
- Retains the limitation on use of funds for promotion of legalization of controlled substances included last year (sec. 511).
- Retains the bill language limitation on use of funds to enter into or review contracts with entities subject to the requirement in section 4212(d) of title 38, United States Code, if the report required by that section has not been submitted (sec. 512).
- Continues authority for agencies to use unobligated balances through the first quarter of fiscal year 2002 (sec. 513).
- Prohibits the use of funds appropriated under this act to promulgate or adopt any individual health identifier final standard (sec. 514).
- Includes bill language which repeals the provision in Public Law 105–33 which delays the October SSI payment until October 2, 2000 (sec. 515).
- Includes a provision that accelerates to the months after September 2001 the effective date for current law provisions requiring states that have entered into an agreement with the Social Security Administration for Federal administration of State supplementary payments to remit payments and fees no later than the business day preceding the SSI payment date (sec. 516).

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## ADMINISTRATION POSITION

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At press time, no Statement of Administration Policy was available for S. 2553. The Administration released a lengthy Statement of Administration Policy on H.R. 4577, the Labor, HHS, Education appropriations bill as reported by the House Appropriations Committee. Upon final passage, the White House threatened to veto the bill.

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## COST

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After consultation with the CBO, the Appropriations Committee estimates that for FY 2001, S. 2553 would result in:

- \$97.82 billion of discretionary budget authority; and
- \$237.07 billion in mandatory budget authority.

Outlays would amount to:

- \$93.07 billion in discretionary outlays; and
- \$236.57 billion in mandatory outlays.

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## POSSIBLE AMENDMENTS

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Enzi. Delaying implementation of OSHA proposed ergonomics rule for one year.

DeWine. Troops to Teachers.

Hutchinson. NLRB.

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## FY 2001 SENATE LABOR- HHS-EDUCATION APPROPRIATIONS

### SUMMARY (program levels in \$ millions)

Discretionary Programs:	<u>FY00</u> Comp.	<u>FY01</u> Request	<u>FY01</u> House	<u>FY01</u> Senate	<u>FY01 Sen. vs.</u> FY00 Comp.	<u>FY01 Sen.</u> vs. Request	<u>FY01 Sen.</u> vs. House
<b>Labor Dept.:</b>							
Dislocated Workers	1,589.00	1,770.50	1,382.00	1,589.00	0.0	-181.5	207.0
Job Corps	1,357.80	1,393.00	1,400.00	1,363.80	6.0	-29.2	-36.2
Youth Opportunity Grants	250	375	175	250	0.0	-125.0	75.0
Incumbent Workers Program	----	30	0	20	20.0	-10.0	20.0
OSHA	381.6	426	381.6	426	44.4	0.0	44.4
Mine Safety Health Admin.	228.1	242.3	233	244.8	16.7	2.5	11.8
<b>HHS:</b>							
Consolidated Health Centers	1,018.70	1,068.70	1,100.00	1,118.70	100.0	50.0	18.7
Ryan White AIDS	1,594.60	1,719.60	1,725.00	1,650.00	55.4	-69.6	-75.0
Ricky Ray Hemophilia Program	75	100	100	85	10.0	-15.0	-15.0
Family Planning	238.9	273.9	238.9	253.9	15.0	-20.0	15.0
Childhood Immunization	509.9	529.6		524.4	14.5	-5.2	524.4
NIH	17,789.30	18,812.70		20,512.70	2,723.4	1,700.0	20,512.7
Substance Abuse Treatment Block Grant	1,814.60	1,889.40	1,880.60	1,844.70	30.1	-44.7	-35.9
Low Income Home Energy Assistance (LIHEAP Emergency)	1,100.00	1,100.00	1,100.00	1,100.00	0.0	0.0	0.0
Head Start	300	300	300	300	0.0	0.0	0.0
Adolescent Family Life	5,267.00	6,267.00	5,667.00	6,267.00	1,000.0	0.0	600.0
Child Care Development Block Grant	19.3	7.6	24.3	19.3	0.0	11.7	-5.0
	1,182.70	2,000.00	1,582.60	2,000.00	817.3	0.0	417.4
<b>Department of Education:</b>							
21st Century Learning Centers	453.4	1,000.00	600	600	146.6	-400.0	0.0
Title I -- Grants to States	7,941.40	8,357.50	7,941.40	8,335.80	394.4	-21.7	394.4
Impact Aid	906.5	770	985	1,030.00	123.5	260.0	45.0
Innovative Education State Grants	1,665.80	1,750.00	2,150.80	3,100.00	1,434.2	1,350.0	949.2
Special Education--State Grants	5,754.70	6,053.30	6,254.70	7,053.30	1,298.6	1,000.0	798.6
Vocational & Adult Education	1,672.75	1,751.30	1,718.60	1,726.60	53.9	-24.7	8.0
Student Aid/Pell Grants	7,639.70	8,356.00	8,308	8,692.00	1,052.3	336.0	384.0
(Maximum Award, actual amount)	3,300.00	3,500.00	3,500.00	3,650.00	350.0	150.0	150.0
Other Student Aid	1,725.00	1,902.00	1,842.00	1,932.00	207.0	30.0	90.0
<b>Related Agencies:</b>							
CPB (Comp-FY02)	350	365	365	365	15.0	0.0	0.0
National Labor Relations Board	205.7	216.4	205.7	216.4	10.7	0.0	10.7
Social Security Administration	6,572.00	7,134.00	6,978.00	7,010.80	438.8	-123.2	32.8

Source: Senate Appropriations Committee